

Executive Summary – Enforcement Matter – Case No. 49617
Flint Hills Resources Houston Chemical, LLC f/k/a PL Propylene LLC
RN102576063
Docket No. 2014-1746-AIR-E

Order Type:

Findings Agreed Order

Findings Order Justification:

Unauthorized emissions which are excessive emissions events.

Media:

AIR

Small Business:

No

Location(s) Where Violation(s) Occurred:

Flint Hills Resources Houston Chemical, 9822 La Porte Freeway, Houston, Harris County

Type of Operation:

Petrochemical plant

Other Significant Matters:

Additional Pending Enforcement Actions: No

Past-Due Penalties: No

Other: N/A

Interested Third-Parties: None

Texas Register Publication Date: June 26, 2015

Comments Received: No

Penalty Information

Total Penalty Assessed: \$393,900

Amount Deferred for Expedited Settlement: \$0

Amount Deferred for Financial Inability to Pay: \$0

Total Paid to General Revenue: \$196,950

Total Due to General Revenue: \$0

Payment Plan: N/A

Supplemental Environmental Project ("SEP") Conditional Offset: \$196,950

Name of SEP: Houston-Galveston Area Council-AERCO (Third-Party Pre-Approved)

Compliance History Classifications:

Person/CN - Satisfactory

Site/RN - Satisfactory

Major Source: Yes

Statutory Limit Adjustment: N/A

Applicable Penalty Policy: April 2014

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RN102576063
Docket No. 2014-1746-AIR-E

Investigation Information

Complaint Date(s): N/A

Complaint Information: N/A

Date(s) of Investigation: May 1, 2014

Date(s) of NOE(s): October 21, 2014

Violation Information

Failed to prevent unauthorized emissions [30 TEX. ADMIN. CODE §§ 101.20(3), 115.722(c)(1), 116.115(c), and 122.143(4), TEX. HEALTH & SAFETY CODE § 382.085(b), Federal Operating Permit No. O1251, Special Terms and Conditions No. 11, and New Source Review Permit Nos. 18999 and PSDTX755, Special Conditions No. 1].

Corrective Actions/Technical Requirements

Corrective Action(s) Completed:

The Respondent has performed the following corrective actions:

- a. On March 27, 2014, implemented the corrective action plan that was designed to prevent the recurrence of emissions events due to the same cause as Incident No. 191208; and
- b. On July 16, 2014, acquired the Plant from PL Propylene LLC via a stock purchase of PL Propylene LLC's parent company, Petrologistics LP, and its general partner, Petrologistics GP LLC, and the Plant was subsequently renamed Flint Hills Resources Houston Chemical, LLC.

Technical Requirements:

The Order will require the Respondent to implement and complete a SEP (see SEP Attachment A).

Litigation Information

Date Petition(s) Filed: N/A

Date Answer(s) Filed: N/A

SOAH Referral Date: N/A

Hearing Date(s): N/A

Settlement Date: N/A

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RN102576063
Docket No. 2014-1746-AIR-E

Contact Information

TCEQ Attorney: N/A

TCEQ Enforcement Coordinator: Jessica Schildwachter, Enforcement Division, Enforcement Team 5, MC 149, (512) 239-2617; Candy Garrett, Enforcement Division, MC 219, (512) 239-1456

TCEQ SEP Coordinator: Stuart Beckley, SEP Coordinator, Enforcement Division, MC 219, (512) 239-3565

Respondent: James Rhame, Site Manager, Flint Hills Resources Houston Chemical, LLC f/k/a PL Propylene LLC, 9822 La Porte Freeway, Houston, Texas 77017
Daren Knowles, Environmental Manager, Flint Hills Resources Houston Chemical, LLC f/k/a PL Propylene LLC, 9822 La Porte Freeway, Houston, Texas 77017

Respondent's Attorney: N/A

Attachment A
Docket Number: 2014-1746-AIR-E
SUPPLEMENTAL ENVIRONMENTAL PROJECT

Respondent:	Flint Hills Resources Houston Chemical, LLC f/k/a PL Propylene LLC
Penalty Amount:	Three Hundred Ninety-Three Thousand Nine Hundred Dollars (\$393,900)
SEP Offset Amount:	One Hundred Ninety-Six Thousand Nine Hundred Fifty Dollars (\$196,950)
Type of SEP:	Contribution to a Third-Party Pre-Approved SEP
Third-Party Administrator:	Houston-Galveston Area Council-AERCO ("AERCO")
Project Name:	<i>Clean Vehicles Partnership Project</i>
Location of SEP: Angelina, Austin, Brazoria, Chambers, Colorado, Fort Bend, Galveston, Hardin, Harris, Houston, Jasper, Jefferson, Liberty, Matagorda, Montgomery, Nacogdoches, Newton, Orange, Polk, Sabine, San Augustine, San Jacinto, Trinity, Tyler, Walker, Waller, and Wharton Counties	

The Texas Commission on Environmental Quality ("TCEQ") agrees to offset a portion of the administrative penalty amount assessed in this Agreed Order for the Respondent to contribute to a Supplemental Environmental Project ("SEP"). The offset is equal to the SEP Offset Amount set forth above and is conditioned upon completion of the project in accordance with the terms of this Attachment A.

1. Project Description

a. Project

The Respondent shall contribute the SEP Offset Amount to the Third-Party Administrator named above. The contribution will be to the **Houston-Galveston Area Council-AERCO** for the *Clean Vehicles Partnership Project*. The contribution will be used in accordance with the SEP between the Third-Party Administrator and the TCEQ (the "Project"). Specifically, the SEP Offset Amount will be used to to replace old, higher emission buses that do not meet 2010 Environmental Protection Agency ("EPA") emissions standards ("Old Buses") with new, lower emission buses that meet the most recent EPA emissions standards ("New Buses") or to retrofit or convert Old Buses with emissions reducing equipment. The Third-Party Administrator shall allocate the SEP Offset Amount to public entities such as school districts, local governments, and public transit authorities ("SEP Administrators") that apply for replacement, retrofit, or conversion of buses.

Flint Hills Resources Houston Chemical, LLC f/k/a PL Propylene LLC
Agreed Order - Attachment A

The SEP Offset Amount may also be used for retrofit or conversion technology that brings an Old Bus up to current EPA emissions standards. New Buses may be alternative-fueled. The SEP Offset Amount may be used for up to 100% of the replacement, conversion, or retrofit cost. The SEP Offset Amount will be used only for purchase of New Buses or conversion or retrofit equipment and contract labor for installation of equipment. The SEP Offset Amount will not be used for financing such a purchase through a lease-purchase or similar agreement.

Retrofitting means reducing exhaust emissions to current standards by installing devices that are verified or certified by the EPA or the California Air Resources Board as proven retrofit technologies. Converting means replacing an engine system with an alternative fuel engine system to bring the Old Bus within the current EPA emissions standards. Buses to be replaced, retrofitted, or converted must be in regular use (driven at least five hundred miles per year for at least the past two years) by the SEP Administrator and must not already be scheduled for replacement in the following twenty-four months. All replaced buses must be fully decommissioned. The Third-Party Administrator shall provide proof of decommissioning to TCEQ for each replaced vehicle by submitting a copy of the TCEQ SEP Vehicle Replacement Disposition Form. The SEP will be done in accordance with all federal, state, and local environmental laws and regulations.

All dollars contributed will be used solely for the direct cost of implementing the Project, including, but not limited to supplies, materials, and equipment. Any portion of this contribution that is not spent on the specifically identified SEP may, at the discretion of the Executive Director ("ED"), be applied to another pre-approved SEP.

The Respondent's signature affixed to this Agreed Order certifies that the Respondent has no prior commitment to make this contribution and that it is being contributed solely in an effort to settle this enforcement action. The Respondent shall not profit in any manner from this SEP.

b. Environmental Benefit

This SEP will directly benefit air quality by reducing harmful exhaust emissions that contribute to the formation of ozone and may cause or exacerbate a number of respiratory diseases, including asthma. For example, by replacing a 1989 diesel bus with a 2010 ultra-low emission model, passengers' exposure to nitrogen oxides may be reduced by 98 percent; volatile organic compounds by 93 percent; carbon dioxide by 83 percent; and particulate matter by 99 percent. In addition, by encouraging less bus idling, this SEP contributes to public awareness of air pollution and air quality.

Flint Hills Resources Houston Chemical, LLC f/k/a PL Propylene LLC
Agreed Order - Attachment A

c. Minimum Expenditure

The Respondent shall contribute at least the SEP Offset Amount to the Third-Party Administrator and comply with all other provisions of this SEP.

2. Performance Schedule

Within 30 days after the effective date of this Agreed Order, the Respondent must contribute the SEP Offset Amount to the Third-Party Administrator. The Respondent shall make the check payable to **Houston-Galveston Area Council-AERCO SEP** and shall mail the contribution with a copy of the Agreed Order to:

Houston-Galveston Area Council-AERCO
P.O. Box 22777
Houston, Texas 77227-2777

3. Records and Reporting

Concurrent with the payment of the SEP Offset Amount, Respondent shall provide the Enforcement SEP Coordinator with a copy of the check and transmittal letter indicating full payment of the SEP Offset Amount to the Third-Party Administrator. The Respondent shall mail a copy of the check and transmittal letter to:

Texas Commission on Environmental Quality
Enforcement Division
Attention: SEP Coordinator, MC 219
P.O. Box 13087
Austin, Texas 78711-3087

4. Failure to Fully Perform

If the Respondent does not perform its obligations under this Attachment A, including full expenditure of the SEP Offset Amount and submittal of the required reporting described in Sections 2 and 3 above, the ED may require immediate payment of all or part of the SEP Offset Amount.

In the event the ED determines that the Respondent failed to fully implement and complete the Project, the Respondent shall remit payment for all or a portion of the SEP Offset Amount, as determined by the ED, and as set forth in the attached Agreed Order. After receiving notice of failure to complete the SEP, the Respondent shall include the docket number of the attached Agreed Order and a note that the enclosed payment is for the reimbursement of a SEP; shall make the check payable to "Texas Commission on Environmental Quality"; and shall mail it to:

Flint Hills Resources Houston Chemical, LLC f/k/a PL Propylene LLC
Agreed Order - Attachment A

Texas Commission on Environmental Quality
Litigation Division
Attention: SEP Coordinator, MC 175
P.O. Box 13087
Austin, Texas 78711-3087

5. Publicity

Any public statements concerning this SEP and/or project, made by or on behalf of the Respondent must include a clear statement that **the Project was performed as part of the settlement of an enforcement action brought by the TCEQ**. Such statements include advertising, public relations, and press releases.

6. Recognition

The Respondent may not seek recognition for this contribution in any other state or federal regulatory program.

7. Other SEPs by TCEQ or Other Agencies

The SEP Offset Amount identified in this Attachment A and in the attached Agreed Order has not been, and shall not be, included as a SEP for the Respondent under any other Agreed Order negotiated with the TCEQ or any other agency of the state or federal government.



Penalty Calculation Worksheet (PCW)

Policy Revision 4 (April 2014)

PCW Revision March 26, 2014

TCEQ
DATES

Assigned PCW

27-Oct-2014
5-May-2015

Screening

5-Nov-2014

EPA Due

18-Apr-2015

RESPONDENT/FACILITY INFORMATION

Respondent

Flint Hills Resources Houston Chemical, LLC f/k/a PL Propylene LLC

Reg. Ent. Ref. No.

RN102576063

Facility/Site Region

12-Houston

Major/Minor Source

Major

CASE INFORMATION

Enf./Case ID No.

49617

Docket No.

2014-1746-AIR-E

Media Program(s)

Air

Multi-Media

No. of Violations

1

Order Type

Findings

Government/Non-Profit

No

Enf. Coordinator

Jessica Schildwachter

EC's Team

Enforcement Team 5

Admin. Penalty \$ Limit Minimum

\$0

Maximum

\$25,000

Penalty Calculation Section

TOTAL BASE PENALTY (Sum of violation base penalties)

Subtotal 1

\$450,000

ADJUSTMENTS (+/-) TO SUBTOTAL 1

Subtotals 2-7 are obtained by multiplying the Total Base Penalty (Subtotal 1) by the indicated percentage.

Compliance History

47.0%

Enhancement

Subtotals 2, 3, & 7

\$211,500

Notes

Enhancement for one NOV with same or similar violations, two NOVs with dissimilar violations, and two orders with denial of liability. Reduction for two notices of intent to conduct an audit.

Culpability

No

0.0%

Enhancement

Subtotal 4

\$0

Notes

The Respondent does not meet the culpability criteria.

Good Faith Effort to Comply Total Adjustments

Subtotal 5

-\$112,500

Economic Benefit

0.0% Enhancement*

Subtotal 6

\$0

Total EB Amounts

\$173

Estimated Cost of Compliance

\$10,000

*Capped at the Total EB \$ Amount

SUM OF SUBTOTALS 1-7

Final Subtotal

\$549,000

OTHER FACTORS AS JUSTICE MAY REQUIRE

-28.3%

Adjustment

-\$155,100

Reduces or enhances the Final Subtotal by the indicated percentage.

Notes

The Executive Director recommends a downward adjustment because the Respondent has assumed responsibility for the violation that occurred prior to completion of the stock purchase of the former Respondent.

Final Penalty Amount

\$393,900

STATUTORY LIMIT ADJUSTMENT

Final Assessed Penalty

\$393,900

DEFERRAL

0.0%

Reduction

Adjustment

\$0

Reduces the Final Assessed Penalty by the indicated percentage. (Enter number only; e.g. 20 for 20% reduction.)

Notes

No deferral is recommended for Findings Orders.

PAYABLE PENALTY

\$393,900

Screening Date 5-Nov-2014

Docket No. 2014-1746-AIR-E

PCW

Respondent Flint Hills Resources Houston Chemical, LLC f/k/a PL Propylene LLC

Policy Revision 4 (April 2014)

Case ID No. 49617

PCW Revision March 26, 2014

Reg. Ent. Reference No. RN102576063

Media [Statute] Air

Enf. Coordinator Jessica Schildwachter

Compliance History Worksheet

>> Compliance History Site Enhancement (Subtotal 2)

Component	Number of...	Enter Number Here	Adjust.
NOVs	Written notices of violation ("NOVs") with same or similar violations as those in the current enforcement action (<i>number of NOVs meeting criteria</i>)	1	5%
	Other written NOVs	2	4%
Orders	Any agreed final enforcement orders containing a denial of liability (<i>number of orders meeting criteria</i>)	2	40%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	0	0%
Judgments and Consent Decrees	Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government (<i>number of judgments or consent decrees meeting criteria</i>)	0	0%
	Any adjudicated final court judgments and default judgments, or non-adjudicated final court judgments or consent decrees without a denial of liability, of this state or the federal government	0	0%
Convictions	Any criminal convictions of this state or the federal government (<i>number of counts</i>)	0	0%
Emissions	Chronic excessive emissions events (<i>number of events</i>)	0	0%
Audits	Letters notifying the executive director of an intended audit conducted under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (<i>number of audits for which notices were submitted</i>)	2	-2%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (<i>number of audits for which violations were disclosed</i>)	0	0%
Please Enter Yes or No			
Other	Environmental management systems in place for one year or more	No	0%
	Voluntary on-site compliance assessments conducted by the executive director under a special assistance program	No	0%
	Participation in a voluntary pollution reduction program	No	0%
	Early compliance with, or offer of a product that meets future state or federal government environmental requirements	No	0%

Adjustment Percentage (Subtotal 2) 47%

>> Repeat Violator (Subtotal 3)

No

Adjustment Percentage (Subtotal 3) 0%

>> Compliance History Person Classification (Subtotal 7)

Satisfactory Performer

Adjustment Percentage (Subtotal 7) 0%

>> Compliance History Summary

Compliance History Notes

Enhancement for one NOV with same or similar violations, two NOVs with dissimilar violations, and two orders with denial of liability. Reduction for two notices of intent to conduct an audit.

Total Compliance History Adjustment Percentage (Subtotals 2, 3, & 7) 47%

>> Final Compliance History Adjustment

Final Adjustment Percentage *capped at 100% 47%

Screening Date 5-Nov-2014

Docket No. 2014-1746-AIR-E

PCW

Respondent Flint Hills Resources Houston Chemical, LLC f/k/a PL Propylene LLC

Policy Revision 4 (April 2014)

Case ID No. 49617

PCW Revision March 26, 2014

Reg. Ent. Reference No. RN102576063

Media [Statute] Air

Enf. Coordinator Jessica Schildwachter

Violation Number 1

Rule Cite(s) 30 Tex. Admin. Code §§ 101.20(3), 115.722(c)(1), 116.115(c), and 122.143(4), Tex. Health & Safety Code § 382.085(b), Federal Operating Permit No. O1251, Special Terms and Conditions No. 11, and New Source Review Permit Nos. 18999 and PSDTX755, Special Conditions No. 1

Violation Description

Failed to prevent unauthorized emissions. Specifically, the Respondent released 21,291.96 pounds ("lbs") of ethylene, 155,167.84 lbs of volatile organic compounds, and 374,056.43 lbs of propylene from the Cooling Tower, Emission Point Number F-1-101-U, during an emissions event (Incident No. 191208) that began on November 21, 2013 and lasted 2,953 hours. The emissions event occurred when a tube leak occurred in Heat Exchanger 601C. This event was determined to be an excessive emissions event.

Base Penalty \$25,000

>> Environmental, Property and Human Health Matrix

OR

Release	Major	Moderate	Minor
Actual	x		
Potential			

Percent 100.0%

>> Programmatic Matrix

Falsification	Major	Moderate	Minor

Percent 0.0%

Matrix Notes

Human health or the environment has been exposed to pollutants which exceed levels that are protective of human health or environmental receptors as a result of the violation.

Adjustment \$0

\$25,000

Violation Events

Number of Violation Events 18

124 Number of violation days

mark only one with an x	daily	
	weekly	x
	monthly	
	quarterly	
	semiannual	
	annual	
	single event	

Violation Base Penalty \$450,000

Eighteen weekly events are recommended.

Good Faith Efforts to Comply

25.0%

Reduction \$112,500

Before NOE/NOV NOE/NOV to EDPRP/Settlement Offer

Extraordinary	
Ordinary	x
N/A	(mark with x)

Notes

The Respondent completed corrective actions on March 27, 2014, before the October 21, 2014 NOE.

Violation Subtotal \$337,500

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$173

Violation Final Penalty Total \$393,900

This violation Final Assessed Penalty (adjusted for limits) \$393,900

Economic Benefit Worksheet

Respondent Flint Hills Resources Houston Chemical, LLC f/k/a PL Propylene LLC
 Case ID No. 49617
 Reg. Ent. Reference No. RN102576063
 Media Air
 Violation No. 1

Percent Interest	Years of Depreciation
5.0	15

Item Cost Date Required Final Date Yrs Interest Saved Onetime Costs EB Amount
 Item Description No commas or \$

Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/Construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)	\$10,000	21-Nov-2013	27-Mar-2014	0.35	\$173	n/a	\$173

Notes for DELAYED costs

Estimated cost to implement the corrective action plan that was designed to prevent the recurrence of emissions events due to the same cause as Incident No. 191208. The Date Required is the date the emissions event began. The Final Date is the date of compliance.

Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/Equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$10,000

TOTAL

\$173

The TCEQ is committed to accessibility.

To request a more accessible version of this report, please contact the TCEQ Help Desk at (512) 239-4357.



TCEQ Compliance History Report

PUBLISHED Compliance History Report for CN603337676, RN102576063, Rating Year 2014 which includes Compliance History (CH) components from September 1, 2009, through August 31, 2014.

Customer, Respondent, or Owner/Operator: CN603337676, Flint Hills Resources
Houston Chemical, LLC f/k/a PL Propylene LLC
Classification: SATISFACTORY
Rating: 2.79

Regulated Entity: RN102576063, FLINT HILLS RESOURCES
HOUSTON CHEMICAL
Classification: SATISFACTORY
Rating: 3.29

Complexity Points: 28
Repeat Violator: NO

CH Group: 05 - Chemical Manufacturing

Location: 9822 LA PORTE FREEWAY HOUSTON, TX 77017-2721, HARRIS COUNTY

TCEQ Region: REGION 12 - HOUSTON

ID Number(s):

AIR OPERATING PERMITS ACCOUNT NUMBER HG0035U

POLLUTION PREVENTION PLANNING ID NUMBER
P00438

INDUSTRIAL AND HAZARDOUS WASTE SOLID WASTE
REGISTRATION # (SWR) 30463

WASTEWATER EPA ID TX0006068

AIR NEW SOURCE PERMITS ACCOUNT NUMBER HG0035U

AIR NEW SOURCE PERMITS REGISTRATION 113337

AIR NEW SOURCE PERMITS REGISTRATION 103880

AIR NEW SOURCE PERMITS REGISTRATION 111299

AIR NEW SOURCE PERMITS REGISTRATION 111301

AIR EMISSIONS INVENTORY ACCOUNT NUMBER
HG0035U

AIR OPERATING PERMITS PERMIT 1251

INDUSTRIAL AND HAZARDOUS WASTE EPA ID
TXD096035274

WASTEWATER PERMIT WQ0000393000

AIR NEW SOURCE PERMITS PERMIT 18999

AIR NEW SOURCE PERMITS AFS NUM 4820100117

AIR NEW SOURCE PERMITS EPA PERMIT PSDTX755

AIR NEW SOURCE PERMITS REGISTRATION 111298

AIR NEW SOURCE PERMITS EPA PERMIT N210

STORMWATER PERMIT TXR05X163

Compliance History Period: September 01, 2009 to August 31, 2014
Rating Year: 2014
Rating Date: 09/01/2014

Date Compliance History Report Prepared: November 20, 2014

Agency Decision Requiring Compliance History: Enforcement

Component Period Selected: November 04, 2009 to November 04, 2014

TCEQ Staff Member to Contact for Additional Information Regarding This Compliance History.

Name: Jessica Schildwachter

Phone: (512) 239-2617

Site and Owner/Operator History:

- 1) Has the site been in existence and/or operation for the full five year compliance period? YES
- 2) Has there been a (known) change in ownership/operator of the site during the compliance period? NO
- 3) If **YES** for #2, who is the current owner/operator? N/A
- 4) If **YES** for #2, who was/were the prior owner(s)/operator(s)? N/A
- 5) If **YES**, when did the change(s) in owner or operator occur? N/A

Components (Multimedia) for the Site Are Listed in Sections A - J

A. Final Orders, court judgments, and consent decrees:

- 1 Effective Date: 08/27/2012 ADMINORDER 2012-0376-IWD-E (1660 Order-Agreed Order With Denial)
Classification: Moderate
Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)(1)
30 TAC Chapter 305, SubChapter F 305.125(1)

Rqmt Prov:Effluent Limitations PERMIT

Description: Failed to comply with permitted effluent limits, as documented during a record review conducted on January 10, 2012.

2 Effective Date: 09/26/2013 ADMINORDER 2013-0720-AIR-E (1660 Order-Agreed Order With Denial)

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)

30 TAC Chapter 116, SubChapter B 116.115(c)

30 TAC Chapter 122, SubChapter B 122.143(4)

5C THSC Chapter 382 382.085(b)

Rqmt Prov:SC 27D PERMIT

ST&C 15 OP

ST&C 9B OP

Description: Failure to perform stack sampling within 180 days after initial start-up. (Category A8.c.1.G).

B. Criminal convictions:

N/A

C. Chronic excessive emissions events:

N/A

D. The approval dates of investigations (CCEDS Inv. Track. No.):

Item 1	December 07, 2009	(804713)
Item 2	January 04, 2010	(804714)
Item 3	February 05, 2010	(804707)
Item 4	March 04, 2010	(830904)
Item 5	April 05, 2010	(830905)
Item 6	May 04, 2010	(830906)
Item 7	July 12, 2010	(860870)
Item 8	September 16, 2010	(873908)
Item 9	October 04, 2010	(881509)
Item 10	November 01, 2010	(863331)
Item 11	December 03, 2010	(896249)
Item 12	December 31, 2010	(902312)
Item 13	January 18, 2011	(873527)
Item 14	April 04, 2011	(924819)
Item 15	May 10, 2011	(938033)
Item 16	July 06, 2011	(935195)
Item 17	July 07, 2011	(952631)
Item 18	August 23, 2011	(944732)
Item 19	September 06, 2011	(965345)
Item 20	October 06, 2011	(971385)
Item 21	December 05, 2011	(984312)
Item 22	December 21, 2011	(990613)
Item 23	February 06, 2012	(997974)
Item 24	March 05, 2012	(1003498)
Item 25	April 09, 2012	(1010062)
Item 26	May 08, 2012	(1016457)
Item 27	June 04, 2012	(1024176)
Item 28	June 29, 2012	(1008965)
Item 29	July 12, 2012	(1031571)
Item 30	August 15, 2012	(1037948)
Item 31	September 17, 2012	(1046681)
Item 32	September 18, 2012	(1031342)
Item 33	October 05, 2012	(1060897)
Item 34	November 06, 2012	(1060898)
Item 35	December 10, 2012	(1060899)
Item 36	December 13, 2012	(976197)
Item 37	January 04, 2013	(1051842)

Item 38	January 23, 2013	(1051427)
Item 39	February 07, 2013	(1078979)
Item 40	March 11, 2013	(1089314)
Item 41	April 08, 2013	(1095708)
Item 42	May 07, 2013	(1106633)
Item 43	May 13, 2013	(1110309)
Item 44	August 09, 2013	(1124949)
Item 45	September 12, 2013	(1129549)
Item 46	December 16, 2013	(1147137)
Item 47	February 18, 2014	(1153206)
Item 48	March 17, 2014	(1167186)
Item 49	April 15, 2014	(1174319)
Item 50	June 11, 2014	(1187405)
Item 51	July 22, 2014	(1198559)
Item 52	August 21, 2014	(1198560)
Item 53	September 15, 2014	(1205810)

E. Written notices of violations (NOV) (CCEDS Inv. Track. No.):

A notice of violation represents a written allegation of a violation of a specific regulatory requirement from the commission to a regulated entity. A notice of violation is not a final enforcement action, nor proof that a violation has actually occurred.

1	Date: 11/28/2013 (1116395)	CN603337676
	Self Report? NO	Classification: Moderate
	Citation: 30 TAC Chapter 122, SubChapter B 122.143(4) 30 TAC Chapter 122, SubChapter B 122.144(1) 5C THSC Chapter 382 382.085(b) FOP O-01251, GT & C OP	
	Description: Failure to maintain records of visible opacity logs for a period of at least five years for emission point number (EPN): 4000-B; 4026-U; 1-105A; and 1-104BD . (CATEGORY C3)	
	Self Report? NO	Classification: Moderate
	Citation: 30 TAC Chapter 116, SubChapter B 116.115(c) 30 TAC Chapter 122, SubChapter B 122.143(4) 40 CFR Chapter 60, SubChapter C, PT 60, SubPT A 60.18(c)(3)(ii) 5C THSC Chapter 382 382.085(b) FOP O-01251, ST&C 1A & 12 OP NSR 18999, SC 30(A) PERMIT	
	Description: Failure to maintain the flare [emission point number (EPN):1-105A] at a heating value of 300 British thermal unit (Btu)/standard cubic feet (scf) or greater on April 12, 2012. (Category C4)	
	Self Report? NO	Classification: Moderate
	Citation: 30 TAC Chapter 116, SubChapter B 116.115(c) 30 TAC Chapter 122, SubChapter B 122.143(4) 5C THSC Chapter 382 382.085(b) FOP O-01251, ST&C 1A & 12 OP NSR 18999, SC 23 PERMIT	
	Description: Failure to maintain the concentration of ammonia (NH3) from the Selective Catalytic Reduction (SCR)2 at the Charge Gas Heater outlet on January 10, 2013 to January 12, 2013. (Category C4)	
	Self Report? NO	Classification: Minor
	Citation: 30 TAC Chapter 116, SubChapter B 116.115(c) 30 TAC Chapter 122, SubChapter B 122.143(4) 40 CFR Chapter 60, SubChapter C, PT 60, SubPT A 60.13(d)(1) 5C THSC Chapter 382 382.085(b) FOP O-01251, ST&C 1A & 12 OP NSR 18999, SC 5 & 28 PERMIT	
	Description: Failure to maintain the daily calibration limit for the Waste Heat Boiler, emission point number (EPN) 4026-U from April 15, 2012 through May 15, 2012. (Category C4)	
	Self Report? NO	Classification: Minor
	Citation: 30 TAC Chapter 115, SubChapter H 115.764(a)(1) 30 TAC Chapter 116, SubChapter B 116.115(c) 30 TAC Chapter 122, SubChapter B 122.143(4) 5C THSC Chapter 382 382.085(b) FOP O-1215 ST&C 1A & 12 OP NSR 18999, SC 41B PERMIT	
	Description: Failure to maintain a continuously operating Highly Reactive Volatile Organic Compound (HRVOC) Continuous Emissions Monitoring System (CEMS) analyzer for the Cooling Tower (emission point number [EPN]: F-1-101U) on May 9, 2012.	

(Category C4)
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
FOP O-01251, ST&C 12 OP
NSR 18999, SC 51(B) PERMIT
Description: Failure to maintain records of the tube type, range, and time the samples were taken when using colorimetric gas detector tubes. (Category B3)

2 Date: 12/09/2013 (1095410) CN603337676
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)
FOP ST&C 11 OP
NSR SC 28 PERMIT
NSR SC 28(B) PERMIT
NSR SC 28(F) PERMIT
Description: Failure to calibrate, maintain, and operate a continuous monitoring system (CEMS) while sources were in operation. (Category B1)
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)
FOP ST&C 11 OP
NSR SC 40 PERMIT
NSR SC 40(B) PERMIT
NSR SC 40(F) PERMIT
Description: Failure to calibrate, maintain, and operate a continuous monitoring system (CEMS) while sources were in operation. (Category B1)

3 Date: 04/30/2014 (1180507) CN603337676
Self Report? YES Classification: Moderate
Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)
30 TAC Chapter 305, SubChapter F 305.125(1)
Description: Failure to meet the limit for one or more permit parameter

F. Environmental audits:

Notice of Intent Date: 02/29/2012 (1014140)
No DOV Associated

Notice of Intent Date: 07/16/2014 (1193465)
No DOV Associated

G. Type of environmental management systems (EMSs):

N/A

H. Voluntary on-site compliance assessment dates:

N/A

I. Participation in a voluntary pollution reduction program:

N/A

J. Early compliance:

N/A

Sites Outside of Texas:

N/A

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



IN THE MATTER OF AN
ENFORCEMENT ACTION
CONCERNING
FLINT HILLS RESOURCES
HOUSTON CHEMICAL, LLC F/K/A
PL PROPYLENE LLC
RN102576063

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BEFORE THE

TEXAS COMMISSION ON

ENVIRONMENTAL QUALITY

AGREED ORDER
DOCKET NO. 2014-1746-AIR-E

At its _____ agenda, the Texas Commission on Environmental Quality ("the Commission" or "TCEQ") considered this agreement of the parties, resolving an enforcement action regarding Flint Hills Resources Houston Chemical, LLC f/k/a PL Propylene LLC ("Respondent") under the authority of TEX. HEALTH & SAFETY CODE ch. 382 and TEX. WATER CODE ch. 7. The Executive Director of the TCEQ, through the Enforcement Division, and the Respondent presented this agreement to the Commission.

The Respondent understands that it has certain procedural rights at certain points in the enforcement process, including, but not limited to, the right to formal notice of violations, notice of an evidentiary hearing, the right to an evidentiary hearing, and a right to appeal. By entering into this Agreed Order, the Respondent agrees to waive all notice and procedural rights.

It is further understood and agreed that this Order represents the complete and fully-integrated settlement of the parties. The provisions of this Agreed Order are deemed severable and, if a court of competent jurisdiction or other appropriate authority deems any provision of this Agreed Order unenforceable, the remaining provisions shall be valid and enforceable. The duties and responsibilities imposed by this Agreed Order are binding upon the Respondent.

The Commission makes the following Findings of Fact and Conclusions of Law:

I. FINDINGS OF FACT

1. The Respondent owns and operates a petrochemical plant located at 9822 La Porte Freeway in Houston, Harris County, Texas (the "Plant").
2. The Plant consists of one or more sources as defined in TEX. HEALTH & SAFETY CODE § 382.003(12).
3. During an investigation conducted on May 1, 2014, TCEQ staff documented that the Respondent released 21,291.96 pounds ("lbs") of ethylene, 155,167.84 lbs of volatile organic compounds, and 374,056.43 lbs of propylene from the Cooling Tower, Emission Point Number F-1-101-U, during an emissions event (Incident No. 191208) that began on November 21, 2013 and lasted 2,953 hours. The emissions event occurred when a tube leak occurred in Heat Exchanger 601C. TCEQ staff determined that this event was an excessive emissions event.
4. The Respondent received notice of the violations on October 27, 2014.
5. The Executive Director recognizes that:
 - a. On March 27, 2014, the Respondent implemented the corrective action plan that was designed to prevent the recurrence of emissions events due to the same cause as Incident No. 191208; and
 - b. On July 16, 2014, the Respondent acquired the Plant from PL Propylene LLC via a stock purchase of PL Propylene LLC's parent company, Petrologistics LP, and its general partner, Petrologistics GP LLC, and the Plant was subsequently renamed Flint Hills Resources Houston Chemical, LLC.

II. CONCLUSIONS OF LAW

1. The Respondent is subject to the jurisdiction of the TCEQ pursuant to TEX. HEALTH & SAFETY CODE ch. 382, TEX. WATER CODE ch. 7, and the rules of the Commission.
2. As evidenced by Findings of Fact No. 3, the Respondent failed to prevent unauthorized emissions, in violation of 30 TEX. ADMIN. CODE §§ 101.20(3), 115.722(c)(1), 116.115(c), and 122.143(4), TEX. HEALTH & SAFETY CODE § 382.085(b), Federal Operating Permit No. 01251, Special Terms and Conditions No. 11, and New Source Review Permit Nos. 18999 and PSDTX755, Special Conditions No. 1.
3. Pursuant to TEX. WATER CODE § 7.051, the Commission has the authority to assess an administrative penalty against the Respondent for violations of the Texas Water Code and the Texas Health and Safety Code within the Commission's jurisdiction; for violations of rules adopted under such statutes; or for violations of orders or permits issued under such statutes.

4. An administrative penalty in the amount of Three Hundred Ninety-Three Thousand Nine Hundred Dollars (\$393,900) is justified by the facts recited in this Agreed Order, and considered in light of the factors set forth in TEX. WATER CODE § 7.053. The Respondent has paid One Hundred Ninety-Six Thousand Nine Hundred Fifty Dollars (\$196,950) of the administrative penalty. One Hundred Ninety-Six Thousand Nine Hundred Fifty Dollars (\$196,950) shall be conditionally offset by the Respondent's completion of a Supplemental Environmental Project ("SEP").

III. ORDERING PROVISIONS

NOW, THEREFORE, THE TEXAS COMMISSION ON ENVIRONMENTAL QUALITY ORDERS that:

1. The Respondent is assessed an administrative penalty in the amount of Three Hundred Ninety-Three Thousand Nine Hundred Dollars (\$393,900) as set forth in Section II, Paragraph 4 above, for violations of TCEQ rules and state statutes. The payment of this administrative penalty and the Respondent's compliance with all the terms and conditions set forth in this Agreed Order completely resolve the violations set forth by this Agreed Order in this action. However, the Commission shall not be constrained in any manner from requiring corrective actions or penalties for other violations that are not raised here. Administrative penalty payments shall be made payable to "TCEQ" and shall be sent with the notation "Re: Flint Hills Resources Houston Chemical, LLC f/k/a PL Propylene LLC, Docket No. 2014-1746-AIR-E" to:

Financial Administration Division, Revenue Operations Section
Attention: Cashier's Office, MC 214
Texas Commission on Environmental Quality
P.O. Box 13088
Austin, Texas 78711-3088

2. The Respondent shall implement and complete a SEP in accordance with TEX. WATER CODE § 7.067. As set forth in Section II, Paragraph 4 above, One Hundred Ninety-Six Thousand Nine Hundred Fifty Dollars (\$196,950) of the assessed administrative penalty shall be offset with the condition that the Respondent implement the SEP defined in Attachment A, incorporated herein by reference. The Respondent's obligation to pay the conditionally offset portion of the administrative penalty assessed shall be discharged upon final completion of all provisions of the SEP agreement.
3. The provisions of this Agreed Order shall apply to and be binding upon the Respondent. The Respondent is ordered to give notice of the Agreed Order to personnel who maintain day-to-day control over the Plant operations referenced in this Agreed Order.
4. If the Respondent fails to comply with any of the Ordering Provisions in this Agreed Order within the prescribed schedules, and that failure is caused solely by an act of God, war, strike, riot, or other catastrophe, the Respondent's failure to comply is not a

violation of this Agreed Order. The Respondent shall have the burden of establishing to the Executive Director's satisfaction that such an event has occurred. The Respondent shall notify the Executive Director within seven days after the Respondent becomes aware of a delaying event and shall take all reasonable measures to mitigate and minimize any delay.

5. The Executive Director may grant an extension of any deadline in this Agreed Order or in any plan, report, or other document submitted pursuant to this Agreed Order, upon a written and substantiated showing of good cause. All requests for extensions by the Respondent shall be made in writing to the Executive Director. Extensions are not effective until the Respondent receives written approval from the Executive Director. The determination of what constitutes good cause rests solely with the Executive Director.
6. The Executive Director may refer this matter to the Office of the Attorney General of the State of Texas ("OAG") for further enforcement proceedings without notice to the Respondent if the Executive Director determines that the Respondent has not complied with one or more of the terms or conditions in this Agreed Order.
7. This Agreed Order shall terminate five years from its effective date or upon compliance with all the terms and conditions set forth in this Agreed Order, whichever is later.
8. This Agreed Order, issued by the Commission, shall not be admissible against the Respondent in a civil proceeding, unless the proceeding is brought by the OAG to: (1) enforce the terms of this Agreed Order; or (2) pursue violations of a statute within the Commission's jurisdiction, or of a rule adopted or an order or permit issued by the Commission under such a statute.
9. This Agreed Order may be executed in separate and multiple counterparts, which together shall constitute a single instrument. Any page of this Agreed Order may be copied, scanned, digitized, converted to electronic portable document format ("pdf"), or otherwise reproduced and may be transmitted by digital or electronic transmission, including but not limited to facsimile transmission and electronic mail. Any signature affixed to this Agreed Order shall constitute an original signature for all purposes and may be used, filed, substituted, or issued for any purpose for which an original signature could be used. The term "signature" shall include manual signatures and true and accurate reproductions of manual signatures created, executed, endorsed, adopted, or authorized by the person or persons to whom the signatures are attributable. Signatures may be copied or reproduced digitally, electronically, by photocopying, engraving, imprinting, lithographing, electronic mail, facsimile transmission, stamping, or any other means or process which the Executive Director deems acceptable. In this paragraph exclusively, the terms "electronic transmission", "owner", "person", "writing", and "written" shall have the meanings assigned to them under TEX. BUS. ORG. CODE § 1.002.

10. The Chief Clerk shall provide a copy of this Agreed Order to each of the parties. By law, the effective date of this Agreed Order is the third day after the mailing date, as provided by 30 TEX. ADMIN. CODE § 70.10(b) and TEX. GOV'T CODE § 2001.142.
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SIGNATURE PAGE

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

For the Commission


For the Executive Director

10/7/15
Date


I, the undersigned, have read and understand the attached Agreed Order in the matter of Flint Hills Resources Houston Chemical, LLC f/k/a PL Propylene LLC. I am authorized to agree to the attached Agreed Order on behalf of Flint Hills Resources Houston Chemical, LLC f/k/a PL Propylene LLC, and do agree to the specified terms and conditions. I further acknowledge that the TCEQ, in accepting payment for the penalty amount, is materially relying on such representation.

I understand that by entering into this Agreed Order, Flint Hills Resources Houston Chemical, LLC f/k/a PL Propylene LLC waives certain procedural rights, including, but not limited to, the right to formal notice of violations addressed by this Agreed Order, notice of an evidentiary hearing, the right to an evidentiary hearing, and the right to appeal. I agree to the terms of the Agreed Order in lieu of an evidentiary hearing. This Agreed Order constitutes full and final adjudication by the Commission of the violations set forth in this Agreed Order.

I also understand that failure to comply with the Ordering Provisions, if any, in this order and/or failure to timely pay the penalty amount, may result in:

- A negative impact on compliance history;
- Greater scrutiny of any permit applications submitted;
- Referral of this case to the Attorney General's Office for contempt, injunctive relief, additional penalties, and/or attorney fees, or to a collection agency;
- Increased penalties in any future enforcement actions;
- Automatic referral to the Attorney General's Office of any future enforcement actions; and
- TCEQ seeking other relief as authorized by law.

In addition, any falsification of any compliance documents may result in criminal prosecution.


Signature

May 20, 2015
Date

JAMES RHAME
Name (Printed or typed)
Authorized Representative of
Flint Hills Resources Houston Chemical, LLC
f/k/a PL Propylene LLC

Site Manager
Title

Instructions: Send the original, signed Agreed Order with penalty payment to the Financial Administration Division, Revenue Operations Section at the address in Section III, Paragraph 1 of this Agreed Order.

Attachment A
Docket Number: 2014-1746-AIR-E
SUPPLEMENTAL ENVIRONMENTAL PROJECT

Respondent:	Flint Hills Resources Houston Chemical, LLC f/k/a PL Propylene LLC
Penalty Amount:	Three Hundred Ninety-Three Thousand Nine Hundred Dollars (\$393,900)
SEP Offset Amount:	One Hundred Ninety-Six Thousand Nine Hundred Fifty Dollars (\$196,950)
Type of SEP:	Contribution to a Third-Party Pre-Approved SEP
Third-Party Administrator:	Houston-Galveston Area Council-AERCO ("AERCO")
Project Name:	<i>Clean Vehicles Partnership Project</i>
Location of SEP: Angelina, Austin, Brazoria, Chambers, Colorado, Fort Bend, Galveston, Hardin, Harris, Houston, Jasper, Jefferson, Liberty, Matagorda, Montgomery, Nacogdoches, Newton, Orange, Polk, Sabine, San Augustine, San Jacinto, Trinity, Tyler, Walker, Waller, and Wharton Counties	

The Texas Commission on Environmental Quality ("TCEQ") agrees to offset a portion of the administrative penalty amount assessed in this Agreed Order for the Respondent to contribute to a Supplemental Environmental Project ("SEP"). The offset is equal to the SEP Offset Amount set forth above and is conditioned upon completion of the project in accordance with the terms of this Attachment A.

1. Project Description

a. Project

The Respondent shall contribute the SEP Offset Amount to the Third-Party Administrator named above. The contribution will be to the **Houston-Galveston Area Council-AERCO** for the *Clean Vehicles Partnership Project*. The contribution will be used in accordance with the SEP between the Third-Party Administrator and the TCEQ (the "Project"). Specifically, the SEP Offset Amount will be used to to replace old, higher emission buses that do not meet 2010 Environmental Protection Agency ("EPA") emissions standards ("Old Buses") with new, lower emission buses that meet the most recent EPA emissions standards ("New Buses") or to retrofit or convert Old Buses with emissions reducing equipment. The Third-Party Administrator shall allocate the SEP Offset Amount to public entities such as school districts, local governments, and public transit authorities ("SEP Administrators") that apply for replacement, retrofit, or conversion of buses.

Flint Hills Resources Houston Chemical, LLC f/k/a PL Propylene LLC
Agreed Order - Attachment A

The SEP Offset Amount may also be used for retrofit or conversion technology that brings an Old Bus up to current EPA emissions standards. New Buses may be alternative-fueled. The SEP Offset Amount may be used for up to 100% of the replacement, conversion, or retrofit cost. The SEP Offset Amount will be used only for purchase of New Buses or conversion or retrofit equipment and contract labor for installation of equipment. The SEP Offset Amount will not be used for financing such a purchase through a lease-purchase or similar agreement.

Retrofitting means reducing exhaust emissions to current standards by installing devices that are verified or certified by the EPA or the California Air Resources Board as proven retrofit technologies. Converting means replacing an engine system with an alternative fuel engine system to bring the Old Bus within the current EPA emissions standards. Buses to be replaced, retrofitted, or converted must be in regular use (driven at least five hundred miles per year for at least the past two years) by the SEP Administrator and must not already be scheduled for replacement in the following twenty-four months. All replaced buses must be fully decommissioned. The Third-Party Administrator shall provide proof of decommissioning to TCEQ for each replaced vehicle by submitting a copy of the TCEQ SEP Vehicle Replacement Disposition Form. The SEP will be done in accordance with all federal, state, and local environmental laws and regulations.

All dollars contributed will be used solely for the direct cost of implementing the Project, including, but not limited to supplies, materials, and equipment. Any portion of this contribution that is not spent on the specifically identified SEP may, at the discretion of the Executive Director ("ED"), be applied to another pre-approved SEP.

The Respondent's signature affixed to this Agreed Order certifies that the Respondent has no prior commitment to make this contribution and that it is being contributed solely in an effort to settle this enforcement action. The Respondent shall not profit in any manner from this SEP.

b. Environmental Benefit

This SEP will directly benefit air quality by reducing harmful exhaust emissions that contribute to the formation of ozone and may cause or exacerbate a number of respiratory diseases, including asthma. For example, by replacing a 1989 diesel bus with a 2010 ultra-low emission model, passengers' exposure to nitrogen oxides may be reduced by 98 percent; volatile organic compounds by 93 percent; carbon dioxide by 83 percent; and particulate matter by 99 percent. In addition, by encouraging less bus idling, this SEP contributes to public awareness of air pollution and air quality.

Flint Hills Resources Houston Chemical, LLC f/k/a PL Propylene LLC
Agreed Order - Attachment A

c. Minimum Expenditure

The Respondent shall contribute at least the SEP Offset Amount to the Third-Party Administrator and comply with all other provisions of this SEP.

2. Performance Schedule

Within 30 days after the effective date of this Agreed Order, the Respondent must contribute the SEP Offset Amount to the Third-Party Administrator. The Respondent shall make the check payable to **Houston-Galveston Area Council-AERCO SEP** and shall mail the contribution with a copy of the Agreed Order to:

Houston-Galveston Area Council-AERCO
P.O. Box 22777
Houston, Texas 77227-2777

3. Records and Reporting

Concurrent with the payment of the SEP Offset Amount, Respondent shall provide the Enforcement SEP Coordinator with a copy of the check and transmittal letter indicating full payment of the SEP Offset Amount to the Third-Party Administrator. The Respondent shall mail a copy of the check and transmittal letter to:

Texas Commission on Environmental Quality
Enforcement Division
Attention: SEP Coordinator, MC 219
P.O. Box 13087
Austin, Texas 78711-3087

4. Failure to Fully Perform

If the Respondent does not perform its obligations under this Attachment A, including full expenditure of the SEP Offset Amount and submittal of the required reporting described in Sections 2 and 3 above, the ED may require immediate payment of all or part of the SEP Offset Amount.

In the event the ED determines that the Respondent failed to fully implement and complete the Project, the Respondent shall remit payment for all or a portion of the SEP Offset Amount, as determined by the ED, and as set forth in the attached Agreed Order. After receiving notice of failure to complete the SEP, the Respondent shall include the docket number of the attached Agreed Order and a note that the enclosed payment is for the reimbursement of a SEP; shall make the check payable to "Texas Commission on Environmental Quality"; and shall mail it to:

Flint Hills Resources Houston Chemical, LLC f/k/a PL Propylene LLC
Agreed Order - Attachment A

Texas Commission on Environmental Quality
Litigation Division
Attention: SEP Coordinator, MC 175
P.O. Box 13087
Austin, Texas 78711-3087

5. Publicity

Any public statements concerning this SEP and/or project, made by or on behalf of the Respondent must include a clear statement that **the Project was performed as part of the settlement of an enforcement action brought by the TCEQ**. Such statements include advertising, public relations, and press releases.

6. Recognition

The Respondent may not seek recognition for this contribution in any other state or federal regulatory program.

7. Other SEPs by TCEQ or Other Agencies

The SEP Offset Amount identified in this Attachment A and in the attached Agreed Order has not been, and shall not be, included as a SEP for the Respondent under any other Agreed Order negotiated with the TCEQ or any other agency of the state or federal government.